

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



**CORRECTED
FISCAL NOTE**

HB 3429 - SB 3659

March 13, 2012

SUMMARY OF BILL: Requires the Department of Labor and Workforce Development (DLWD) to implement an internet based system by July 1, 2012, that allows employers to receive separation notices from the Department electronically, submit separation information to the Department, and initiate an appeal. Requires the Department, by January 1, 2013, to include an explanation of any claims made against the employer on the employer's unemployment insurance tax notice if the employer requests the information.

ESTIMATED FISCAL IMPACT:

On February 5, 2012, a fiscal note was issued estimating a fiscal impact as follows:

*Increase State Expenditures - \$238,000/FY12-13
\$266,500/FY13-14 and Subsequent Years*

After further review by the Department of Labor and Workforce Development, corrected information was submitted. Based on this new information, the estimated impact is:

(CORRECTED)
Increase State Expenditures – \$115,500

Assumptions:

- According to DLWD, one additional Unemployment Program Specialist 2 position will be required to respond to electronic appeal requests and to supervise clerks responding to benefit statement requests. A recurring increase in state expenditures of \$53,274 (\$41,112 salary + \$12,062 benefits + \$100 operational).
- According to DLWD, five part-time workers will be employed for 450 hours each year at an hourly wage of \$27.65. A recurring increase in state expenditures of \$62,213 (5 employees x 450 hours x \$27.65 per hour).

HB 3429 - SB 3659 (CORRECTED)

- The total recurring increase in state expenditures is estimated to be \$115,487 (\$53,274 + \$62,213).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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